



United States Attorney's Office  
District of Columbia

Channing D. Phillips  
Acting United States Attorney

---

## NEWS RELEASE

---

FOR IMMEDIATE RELEASE  
Monday, August 3, 2009

USAO Public Affairs  
(202) 514-6893  
[www.usdoj.gov/usao/dc](http://www.usdoj.gov/usao/dc)

### **Maryland man pleads guilty to mortgage fraud conspiracy** *—man admitted to churning property resulting in over \$1 million in loss—*

WASHINGTON - A Maryland man, Mark D. Blunt, has pleaded guilty to conspiring with others to defraud banks and mortgage lenders, Acting United States Attorney Channing D. Phillips and Joseph Persichini, Jr., Assistant Director in Charge of the FBI's Washington Field Office, announced today.

Blunt, 44, of Glenarden, Maryland, entered his guilty plea earlier today before U.S. District Judge Reggie B. Walton to the charge of Conspiracy to Commit Bank Fraud. Sentencing is scheduled for November 6, 2009. Blunt faces a possible sentence under the guidelines of 30 - 41 months of incarceration.

According to the statement of offense signed by the defendant, from 2004 to 2007, Mark Blunt, with the assistance of others, defrauded banks and other mortgage lenders of money by churning properties through successive sales to unqualified buyers, with sales generating ill-gotten proceeds which Blunt or others took for themselves. For example, Blunt obtained the title to a dilapidated house in Washington, D.C. through a quit claim deed. One month later Blunt sold the property to someone whose income was overstated and payroll documents were fictitious; on the same day of the sale, the "buyer" transferred the property back to Blunt via quit claim deed. In March 2005, Blunt sold the property again, this time to a co-conspirator, who also used false information in order to qualify for a mortgage loan. Later, the co-conspirator sold the still unrenovated property through the use of a false appraisal and other false statements to another buyer. With each sale, Blunt or the co-conspirator received tens of thousands of dollars in loan proceeds. The final buyer defaulted on the loan and the bank foreclosed the property, suffering a financial loss. Similarly, Mark Blunt churned four other properties in the District of Columbia, each time obtaining money for himself or his co-conspirator.

Blunt also obtained title to a property in Maryland sometime before 2004 and moved into the property. In early 2004, the defendant sold the property to another for the sales price of \$1.5 million. Blunt continued to live in the property, but the mortgage fell into default. Before final foreclosure, the property was sold to a close relative of Blunt's for \$1.8 million. This loan was

obtained through a false loan application. Again, the loan fell into default, and again, before foreclosure, this Bowie property was resold to a former relative of Blunt's, this time for \$2.3 million. The loan to purchase the property this time was obtained through a financial institution with the application containing false statements. This loan also fell into arrears; currently the property is in the foreclosure process.

In announcing the guilty plea, Acting United States Attorney Phillips and Assistant Director in Charge Persichini praised the FBI Special Agent assigned to the case. In addition, they commended Legal Assistant Jamasee Lucas, Paralegal Specialists Diane Hayes and Maggie McCabe, Forensic Accountant Crystal Boodoo, and Assistant U.S. Attorney Virginia Cheatham, who is prosecuting the case.

###

09-194